



**GARY R. HERBERT**  
Governor

**GREG BELL**  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

**MICHAEL R. STYLER**  
Executive Director

### Division of Oil, Gas and Mining

**JOHN R. BAZA**  
Division Director

#### Representatives Present During the Inspection:

Company Rusty Netz

OGM Karl Houskeeper

## Inspection Report

Permit Number:	C0070035
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, May 10, 2011
Start Date/Time:	5/10/2011 8:30:00 AM
End Date/Time:	5/10/2011 12:00:00 PM
Last Inspection:	Tuesday, April 05, 2011

Inspector: Karl Houskeeper

Weather: Overcast/Slight Rain, Temp 45 Deg.

InspectionID Report Number: 2737

Accepted by: jhelfric

5/12/2011

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **SUNNYSIDE REFUSE & SLURRY**

Address: **PO BOX 159, SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

#### Current Acreages

323.95	<b>Total Permitted</b>
202.00	<b>Total Disturbed</b>
5.35	<b>Phase I</b>
5.35	<b>Phase II</b>
	<b>Phase III</b>

#### Mineral Ownership

☐ Federal

☐ State

☐ County

☒ Fee

☐ Other

#### Types of Operations

☐ Underground

☐ Surface

☐ Loadout

☐ Processing

☒ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature:

*Karl H. Houskeeper*

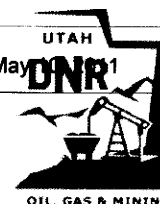
Date

Tuesday, May 10, 2011

Karl Houskeeper,

Inspector ID Number: 49

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.  
597 W. North Temple, Salt Lake City, UT 84119 • telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



Permit Number: C0070035  
 Inspection Type: COMPLETE  
 Inspection Date: Tuesday, May 10, 2011

## Inspection Continuation Sheet

Page 2 of 4

### REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The following permits were reviewed:

- Mining permit C/007/035 issued February 3, 2008 and expires February 4, 2013.
- UPDES permit #UT0024759 effective August 1, 2007 and expires midnight July 31, 2012.
- Air Quality Permit DAQO-702038-02 issued November 1, 2002, remains in effect.
- SPCC plan is only applicable to plant site which is not within the permit area.
- Certificate of Insurance effective 08/01/2010 and terminates 08/01/2011.
- Reclamation agreement is dated December 1996 and signed by both parties.

**2. Signs and Markers**

The mine ID sign is located on a light pole at the entrance into the permit area. The sign contains the required information.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

First quarter 2011 sediment pond inspections were done on March 24, 2011. The reports were P.E. certified on April 25, 2011.

**4.c Hydrologic Balance: Other Sediment Control Measures**

Inspected the area (Old Coarse Refuse Road) proposed for phase three bond release. The bond release inspection conducted on April 26, 2011 showed that some silt fence structures with the wire mesh backing and rebar needed to be removed prior to final approval. The Division was notified on May 9, 2011 that this work had been completed. Verification of the completed work took place as part of this complete inspection (May 10, 2011). Division personnel were notified by e-mail and the documentation of the removal is contained in this inspection report.

**4.e Hydrologic Balance: Effluent Limitations**

Reviewed the January, February March and April 2011 discharge monitoring reports. No discharges occurred from any of the outfalls during any of the referenced months.

**7. Coal Mine Waste, Refuse Piles, Impoundments**

First quarter 2011 the refuse pile was inspected on March 24, 2011 and P.E. certified on April 25, 2011. Currently the pile appeared stable. No visible hazards.

**20. Air Quality Permit**

DAQ-702038-02 issued November 1, 2002, remains in effect. Air Quality Permit DAQE-691-99 issued August 13, 1999 was replaced by DAQO-702038-02. The permit was modified to allow the usage of a diesel generator on the power plant site. The Air Quality Permit covers both the power plant and mine site. The power plant site is not regulated by DOGM.

Permit Number: C0070035  
Inspection Type: COMPLETE  
Inspection Date: Tuesday, May 10, 2011

**Inspection Continuation Sheet**

*Page 4 of 4*

**21. Bonding and Insurance**

A Pledge and Escrow agreement dated January 4, 2002 is in place. The escrow agency is Wells Fargo for SCA. SCA has invested \$1,780,250.19 in federally guaranteed Treasury Notes as of December 31, 2006. The required bond amount is \$1,720,000.